AMENDED IN ASSEMBLY MAY 31, 2006 AMENDED IN ASSEMBLY SEPTEMBER 2, 2005 AMENDED IN ASSEMBLY JUNE 28, 2005 AMENDED IN SENATE APRIL 18, 2005

SENATE BILL

No. 247

Introduced by Senator Figueroa *Perata*

(Principal coauthors: Assembly Members Nunez and Plescia)

February 15, 2005

An act to amend Sections 18610 and 18621 of, to add Section 18602.5 to, to repeal Sections 18605, 18606, 18607, 18608, 18611, and 18613 of, and to repeal and add Sections 18602, 18603, and 18604 of, the Business and Professions Code, relating to the Boxing Act. An act to amend Sections 18600, 18602, 18613, 18618, 18706, 18711, 18824, 18880, 18881, and 18882 of, and to add Sections 18602.5 and 18828 to, the Business and Professions Code, relating to the Boxing Act, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

SB 247, as amended, Figueroa Perata. The Boxing Act.

Existing law, the Boxing Act, creates the State Athletic Commission and makes it responsible for licensing and regulating boxing, kickboxing, and martial arts matches. *A violation of the act is a crime*.

Existing law gives the commission specified duties and powers, including requiring the commission to appoint an executive officer. Under existing law, the provisions creating the commission become inoperative on July 1, 2006, and are repealed on January 1, 2007. Existing law also provides for the Boxers' Pension Fund, a

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continuously appropriated fund, into which contributions to the boxers' pension plan are deposited.

This bill would abolish the State Athletic Commission and authorize the State Athletic Commissioner to appoint an advisory committee that would advise the director and the State Athletic Commissioner regarding administering the Boxing Act. The bill would also authorize the director to appoint a State Athletic Commissioner who would be responsible to the director for enforcing the Boxing Act.

This bill would provide that the Boxing Act may also be referred to as the State Athletic Commission Act. The bill would, as of January 1, 2007, reestablish the commission and provide for the appointment of an executive officer, and would make these provisions inoperative and repeal them on July 1, 2009, and January 1, 2010, respectively. The bill would decrease the membership of the commission to 7 and would revise the composition and membership requirements for the commission. The bill would state the intent of the Legislature that the Director of Consumer Affairs, in cooperation with the Senate Committee on Rules and the Speaker of the Assembly, may form and convene an ad hoc advisory committee beginning July 1, 2006, and ending January 1, 2007, to assist the director during the time that the Boxing Act is enforced by the director.

Existing law requires the commission to furnish annually to the Senate Committee on Business and Professions and the Assembly Committee on Government Organization a report indicating the amount of assessment collected from each promoter and the purposes for which the moneys were expended.

This bill would instead require that, on or before July 30, 2010, a specified report be made to the Governor and the Legislature on the condition of the State Athletic Commission Neurological Examination Account and the Boxers' Pension Fund. The bill would also require the commission to adopt and then submit to the Governor and the Legislature a strategic plan with specified information by September 30, 2008, a report on the status of the adoption of the strategic plan on or before September 30, 2007, and a report on the implementation of the strategic plan by August 1, 2009.

Existing law requires certain physical examinations to be made upon an athlete regulated by the act.

This bill would revise provisions related to the physical examinations of licensees and contestants, including certain examination requirements, as specified.

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Existing law requires every person conducting a contest or wrestling exhibition to, within 72 hours after the determination of a contest or exhibition for which admission is charged and received, furnish the commission with a report under penalty of perjury that includes specified information regarding the receipts and price for the event. Existing law imposes specified fees with respect to athletic contests or matches regulated by the commission, including a fee of up to 5% of the gross price for the sale, lease, or other exploitation of broadcasting or television rights for a contest or wrestling exhibition, with specified exceptions.

This bill would instead require the report by a person conducting a contest or wrestling exhibition to be made within 5 days of the event. The bill would require that the fee of up to 5% of the gross price paid for the broadcasting rights be no more than \$10,000, would allow the commission to promulgate regulations to change the amount of the fee, as specified, and would make other related changes. The bill would allow the commission to enter into a contract to sanction, supervise, or provide other services for a contest under the act for which these fees do not apply only if the contract contains certain elements, including providing for full reimbursement of the commission's costs and a contribution to the Boxers' Pension Fund. By increasing contributions to that continuously appropriated fund, the bill would make an appropriation. The bill would also limit the administrative costs associated with the Boxers' Pension Fund to no more than 20% of the average annual contribution to the fund in the previous 2 years, as specified.

Because this bill would revise certain requirements of the act, the violation of which would be a crime, it would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no-yes. Fiscal committee: yes. State-mandated local program: no-yes.

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The people of the State of California do enact as follows:

1 SECTION 1. Section 18600 of the Business and Professions 2 Code is amended to read:

3 18600. This chapter shall be known and may be cited as the 4 Boxing Act *or the State Athletic Commission Act*.

Whenever a reference is made to the Boxing Act *or the State*Athletic Commission Act by the provisions of any statute, it is to
be construed as referring to the provisions of this chapter.

8 SEC. 2. Section 18602 of the Business and Professions Code 9 is amended to read:

18602. (a) Except as provided in this section, there is in the Department of Consumer Affairs the State Athletic Commission, which consists of <u>eight</u> seven members. Six Five members shall be appointed by the Governor, one member shall be appointed by the Senate Rules Committee, and one member shall be appointed by the Speaker of the Assembly.

The members of the commission appointed by the Governor are subject to confirmation by the Senate pursuant to Section 1322 of the Government Code.

No person who is *currently* licensed under this chapter—as a promoter, manager, or judge may be appointed or reappointed to, or serve on, the commission.

Upon the first expiration of the term of a member appointed by the Governor, the commission shall be reduced to seven members. Notwithstanding any provision of law, the term of that member shall not be extended for any reason.

- (b) In appointing commissioners under this section, the Governor, the Senate Rules Committee, and the Speaker of the Assembly shall make every effort to ensure that at least four of the members of the commission shall have experience and demonstrate expertise in one of the following areas:
- (1) A licensed physician or surgeon having expertise or specializing in neurology, neurosurgery, and sports medicine.
- 33 Sports medicine includes, but is not limited to, physiology,
- 34 kinesiology, or other aspects of sports medicine.
- 35 (2) Financial management.
- 36 (3) Public safety.

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(4) Past experience in the activity regulated by this chapter, either as a contestant, a referee or official, a promoter, or a venue operator.

- (c) Each member of the commission shall be appointed for a term of four years. All terms shall end on January 1. Vacancies occurring prior to the expiration of the term shall be filled by appointment for the unexpired term. No commission member may serve more than two consecutive terms.
- (d) Notwithstanding any other provision of this chapter, members first appointed shall be subject to the following terms:
- (1) The Governor shall appoint two members for two years, two members for three years, and one member for four years.
- (2) The Senate Committee on Rules shall appoint one member for four years.
- (3) The Speaker of the Assembly shall appoint one member for four years.
- (4) The appointing powers, as described in subdivision (a), may appoint to the commission a person who was a member of the prior commission prior to the repeal of that commission on July 1, 2006.
- (e) This section shall become inoperative on July 1,—2006 2009, and as of January 1,—2007 2010, is repealed, unless a later enacted statute, which becomes operative on or before January 1, 2007 2010, deletes or extends the dates on which it becomes inoperative and is repealed. The repeal of this section renders the commission subject to the review required by Division 1.2 (commencing with Section 473).
- SEC. 3. Section 18602.5 is added to the Business and Professions Code, to read:
- 18602.5. (a) The commission shall adopt and submit a strategic plan to the Governor and the Legislature on or before September 30, 2008. The commission shall also submit a report to the Governor and the Legislature on the status of the adoption of the strategic plan on or before September 30, 2007. The strategic plan shall include, but shall not be limited to, efforts to resolve prior State Athletic Commission deficiencies in the following areas:
- (1) Regulation of the profession, what fees should be paid for this regulation, and the structure and equity of the fees charged.

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1 (2) The effect and appropriateness of contracts made pursuant to Section 18828.

(3) Costs to train officials.

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- 4 (4) Steps that need to be taken to ensure sufficient sources of revenue and funding.
 - (5) Necessity for review and modification of organizational procedures, the licensing process, and the complaint process.
 - (6) Outdated information technology.
 - (7) Unorganized and improper accounting.
 - (8) Miscalculations at events, a lack of technology to record proper calculations, and funding issues.
 - (9) The health and safety of the participants and the public in attendance at events regulated under this chapter, including costs of examinations under Section 18711.
 - (b) The commission shall solicit input from the public, the State Auditor, the Little Hoover Commission, the Center for Public Interest Law, and others as necessary in preparing and adopting the strategic plan.
 - (c) The commission shall report on progress in implementing the strategic plan to the Director of Consumer Affairs, the Governor, and the Legislature by August 1, 2009.
 - SEC. 4. Section 18613 of the Business and Professions Code is amended to read:
 - 18613. (a) The commission, by and with the approval of the director, shall appoint an executive officer and fix his or her compensation. The executive officer shall carry out the duties prescribed by this chapter and additional duties as may be delegated by the commission. The commission may employ in accordance with Section 154 other personnel as may be necessary for the administration of this chapter.
 - (b) This section shall become inoperative on July 1,—2006 2009, and, as of January 1,—2007 2010, is repealed, unless a later enacted statute, which becomes effective on or before January 1, 2007 2010, deletes or extends the dates on which it becomes inoperative and is repealed.
- 36 SEC. 5. Section 18618 of the Business and Professions Code 37 is amended to read:
- 38 18618. The commission shall furnish to the Senate 39 Committee on Business and Professions and the Assembly
- 40 Committee on Governmental Organization Governor and the

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1 Legislature a report, on or before July 30 of each year which
 2 indicates, 2010, on the following:
 3 (a) The condition of the State Athletic Commission

- (a) The condition of the State Athletic Commission Neurological Examination Account. This report shall include the amount of the assessment collected from each promoter pursuant to Section 18711—and, the purposes for which moneys in the account—were are expended, and findings and recommendations on the amounts, appropriateness, and effectiveness of these assessments.
- (b) The condition of the Boxers' Pension Fund. This report shall include a recommendation on whether the fund should be continued and, if so, whether it should be expanded to include all athletes licensed under this chapter and appropriate fees paid into the fund.
- SEC. 6. Section 18706 of the Business and Professions Code is amended to read:
- 18706. No-(a) Not later than at the weighing time, which shall be at least 24 but not more than 30 hours prior to the beginning of the first event, the physician provided for in Section 18705 shall conduct a physical examination of the contestant.
- (1) The commission shall make the contestants' medical records available to the physician and the physician shall review the contestant's medical records as part of the certification of the contestant's physical condition.
- (2) The physician shall determine whether the contestant may have any knowledge, manifestations, symptoms, or prior history of a physical condition that may affect the contestant's ability to perform or present a potential threat to the contestant's health as a result of competing in the contest or match. The contestant shall complete a questionnaire developed by the commission. The contestant shall be asked to disclose on the questionnaire any conditions of which the contestant is aware, including, but not limited to, any of the following:
- (A) Significant weight gain or loss and any change in weight in the seven days prior to the contest.
- 36 (B) Neuromuscular condition, including peripheral nerves, 37 muscle problems, and brain problems.
 - (C) Pregnancy.

(D) Bone fractures and all forms of arthritis.

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1 (E) Any condition related to vision or changes in hearing 2 function.

- (F) Heart condition or other cardiovascular condition.
- (G) Pulmonary or respiratory condition.
- (H) Renal or urological condition.
- (I) Hematological condition, including manifestations of any unusual bleeding or bruising.
- If any condition is disclosed under this paragraph, the physician shall not allow the contestant to compete unless the physician or, at the contestant's discretion, the contestant's personal physician, who is licensed to practice medicine in the United States, has conducted a physical examination and determined that the specific condition does not affect the contestant's ability to perform or present a potential threat to the contestant's health as a result of competing in the contest or match.
- (3) The questionnaire shall be developed by the commission through promulgated regulations in consultation with qualified medical professionals.
- (4) Nothing in this chapter may be construed to require a contestant to submit to a pregnancy test.
- (b) (1) On the day of the event, and no later than one hour before the contestants enter the ring, the physician provided for in Section 18705 shall conduct a cursory examination and certify in writing as to the contestant's physical condition to engage in such the contest or match.—A This certification shall include all physical examination information provided under subdivision (a).
- (c) A report of the medical examinations shall be filed with the commission not later than 24 hours after the termination of the contest or match. The physician's report of the examination shall include specific mention as to the condition of the contestant's heart, nerves and brain.
- SEC. 7. Section 18711 of the Business and Professions Code is amended to read:
- 18711. (a) (1) The commission shall require, as a condition of licensure and as a part of the application process, the examination by a licensed physician and surgeon who specializes in neurology and neurosurgery of each applicant for a license as a professional boxer or, if for the renewal of a license, this

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examination every year, in addition to any other medical examinations. Upon initial licensure, the examination shall include a neurological examination, a magnetic resonance imaging (MRI) scan, and an electrocardiogram (EKG). The physician may recommend any additional tests or evaluations he or she deems necessary. For renewal of a license, the physician shall determine the tests or evaluations necessary, if any. On the basis of that examination and any additional tests that are conducted, the physician may recommend to the commission whether the applicant may be permitted to be licensed in California or not. The executive officer shall review these recommendations and report any denials of licensure. If, as a result of these recommendations, the executive officer refuses to grant the applicant a license or to renew a license, the applicant shall not-box compete in California until the denial has been overruled by the commission as provided in this chapter.

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- (2) In the absence of any pertinent untoward medical event, the commission may accept tests or evaluations completed within one year of licensure or completed as part of licensure in another state to meet the requirements of this subdivision.
- (3) Any medical records obtained, reviewed, or created under this chapter shall be utilized only for purposes of regulation under this chapter. The commission and any physician may not disseminate or share the athlete's medical records without a signed authorization from the athlete.
- (b) In the event that—If an applicant for licensure as a professional—boxer athlete under this chapter undergoes a neurological examination for purposes of licensure within the 120-day period immediately preceding the normal expiration of that license, the applicant shall not be required to undergo an additional neurological examination within the following calendar year unless the commission, for cause, orders that the examination be taken. The commission shall notify all commission approved physicians and referees that the commission has the authority to order any professional—boxer athlete to undergo a neurological examination.
- (c) The cost of the examinations required by this section shall be paid from assessments on any one or more of the following: promoters of professional boxing matches, managers, and professional boxers in California. The rate and manner of

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1 assessment shall be set by the commission, without the 2 requirement of adoption of regulations, and shall and may cover 3 all costs associated with the requirements of this section. This 4 assessment shall be imposed on all-professional boxing matches which occur on and after January 1, 1986 contests approved by 5 the commission under this chapter. As of July 1, 1994, all 6 7 moneys received by the commission pursuant to this section shall 8 be deposited in and credited to the Boxers' State Athletic Commission Neurological Examination Account which is hereby 10 created in the General Fund.

- (d) Whenever a reference is made to the Boxers' Neurological Examination Account, it is to be construed as referring to the State Athletic Commission Neurological Examination Account.
- SEC. 8. Section 18824 of the Business and Professions Code is amended to read:
- 18824. (a) (1) Except as provided in Sections 18646 and 18832, every person who conducts a contest or wrestling exhibition shall, within 72 hours five days after the determination of every contest or wrestling exhibition for which admission is charged and received, furnish to the commission a written report executed under penalty of perjury by one of the officers, showing the amount of the gross receipts, not to exceed two million dollars (\$2,000,000), and the gross price for the contest or wrestling exhibition charged directly or indirectly and no matter by whom received, for the sale, lease, or other exploitation of broadcasting and television rights of the contest or wrestling exhibition, and without any deductions, except for expenses incurred for one broadcast announcer, telephone line connection, and transmission mobile equipment facility, which may be deducted from the gross taxable base when those expenses are approved by the commission. The
- (A) The person shall also, within the same time, pay to the commission a fee of 5 percent, exclusive of any federal taxes paid thereon, of the amount paid for admission to the contest or wrestling exhibition, except that, for any one boxing contest, the fee shall not exceed the amount of one hundred thousand dollars (\$100,000), and a.
- (B) The person shall also, at the same time, pay to the commission a fee of up to 5 percent of the gross price as described above for the sale, lease, or other exploitation of

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broadcasting or television rights thereof, except that in no case shall the fee be which fee, except as provided in paragraph (2), shall be no more than ten thousand dollars (\$10,000) and no less than one thousand dollars (\$1,000). The minimum fee for an amateur contest or exhibition shall not be less than five hundred dollars (\$500). The amount of the gross receipts upon which the fee provided for in this section is calculated shall not include any assessments levied by the commission under Section 18711.

The fee on admission shall apply to the amount actually paid for admission and not to the regular established price.

No fee is due in the case of a person admitted free of charge. However, if the total number of persons admitted free of charge to a boxing, kickboxing, or martial arts contest or wrestling exhibition exceeds 25 percent of the total number of spectators, then a fee of one dollar (\$1) per complimentary ticket or pass used to gain admission to the contest shall be paid to the commission for each complimentary ticket or pass that exceeds the numerical total of 25 percent of the total number of spectators.

- (2) The commission may promulgate regulations to change the amount of the fee charged under subparagraph (B) of paragraph (1). In no case shall the fee be more than 5 percent of the gross price as described above for the sale, lease, or other exploitation of broadcasting or television rights thereof.
- (b) If the fee on admissions for any one—boxing contest exceeds seventy thousand dollars (\$70,000), the amount in excess of seventy thousand dollars (\$70,000) shall be paid one-half to the commission and one-half to the Boxers' Pension Fund.
- (c) As used in this section, "person" includes a promoter, club, individual, corporation, partnership, association, or other organization, and "wrestling exhibition" means a performance of wrestling skills and techniques by two or more individuals, to which admission is charged or which is broadcast or televised, in which the participating individuals are not required to use their best efforts in order to win, and for which the winner may have been selected before the performance commences.
- 38 SEC. 9. Section 18828 is added to the Business and 39 Professions Code, to read:

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18828. The commission may enter into a contract to sanction, supervise, or provide other services for contests under this chapter for which the fees under this chapter do not apply only if the contract provides for the following:

- (a) Full reimbursement to the commission for all costs incurred.
- 7 (b) For a contribution into the Boxers' Pension Fund of not 8 less than 20 percent of the commission's costs under subdivision 9 (a).
- 10 (c) For a contribution into the State Athletic Commission 11 Neurological Examination Account in an amount equal to the 12 amount that would otherwise be assessed under subdivision (c) of 13 Section 18711.
 - (d) That the contestant's participation in the contest shall be considered in consideration of participation and eligibility in the Boxers' Pension Fund.
 - SEC. 10. Section 18880 of the Business and Professions Code is amended to read:
 - 18880. (a) The Legislature finds and declares—that professional boxers, all of the following:
 - (1) That professional athletes licensed under this chapter, as a group, for many reasons, do not retain their earnings, and are often injured or destitute, or both, and unable to take proper care of themselves, whether financially or otherwise, and that the enactment of this article is to serve a public purpose by making provisions for a needy group to insure a modicum of financial security for professional-boxers athletes. The
 - (2) Athletes licensed under this chapter may suffer extraordinary disabilities in the normal course of their trade. These may include acute and chronic traumatic brain injuries, resulting from multiple concussions as well as from repeated exposure to a large number of subconcussive punches, eye injuries, including retinal tears, holes, and detachments, and other neurological impairments.
 - (3) The pension plan of the commission is part of the state's health and safety regulatory scheme, designed to protect boxers licensed under this chapter from the health-related hazards of their trade. The pension plan addresses those health and safety needs, recognizing the disability and health maintenance expenses those needs may require.

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(4) The regulatory system of California is interrelated with the conduct of the trade in every jurisdiction. Athletes licensed under this chapter participate in contests in other states and many athletes who are based in those other jurisdictions may participate in California on a single-event basis.

- (5) The outcomes and natures of fights in other jurisdictions are relevant to California regulatory jurisdiction and are routinely monitored for health and safety reasons, so that, for example, a knockout of an athlete licensed under this chapter in another jurisdiction is paid appropriate heed with respect to establishing a waiting period before that athlete may commence fighting in California.
- (6) The monitoring of other jurisdictions is an integral part of the health and safety of California athletes licensed under this chapter due to the interstate nature of the trade, and therefore the regulatory scheme for contests and athletes under this chapter should reflect this accordingly.
- (b) The provisions of this article pertain only to professional boxers athletes licensed under this chapter.
- SEC. 11. Section 18881 of the Business and Professions Code is amended to read:
- 18881. (a) The commission shall, consistent with the purposes of this article, establish a pension plan for professional boxers who engage in boxing contests in this state.
- (b) The commission shall, consistent with the purposes of this article, establish the method by which the pension plan will be financed, including those who shall contribute to the financing of the pension plan. The method of financing the pension plan may include, but is not limited to, assessments on tickets and contributions by boxers, managers, promoters, or any one or more of these persons, in an amount sufficient to finance the pension plan. For purposes of this section, the term "sufficient" means that the annual contributions shall be calculated to achieve no less than the average level of annual aggregate pension plan contributions from all sources for the period from July 1, 1981, through December 31, 1994, and adjusted thereafter to reflect changes in the Consumer Price Index for California as set forth by the Bureau of Labor Statistics.
- (c) Any pension plan established by the commission shall be actuarially sound.

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(d) On and after January 1, 2007, if a boxer competes in an event in which the gross receipts fee is restrained by the statutory limit imposed pursuant to subdivision (a) of Section 18824, then at the end of that fiscal year, the portion of pension fund contributions that are allocated to that boxer's regular account on the basis of the boxer's participation in that event shall be limited by the actual contribution made by the boxer to the pension fund through that participation.

SEC. 12. Section 18882 of the Business and Professions Code is amended to read:

- 18882. (a) At the time of payment of the fee required by Section 18824, a promoter shall pay to the commission all amounts scheduled for contribution to the pension plan. If the commission, in its discretion, requires pursuant to Section 18881, that contributions to the pension plan be made by the boxer and his or her manager, those contributions shall be made at the time and in the manner prescribed by the commission.
- (b) All contributions to finance the pension plan shall be deposited in the State Treasury and credited to the Boxers' Pension Fund, which is hereby created. Notwithstanding the provisions of Section 13340 of the Government Code, all moneys in the Boxers' Pension Fund are hereby continuously appropriated to be used exclusively for the purposes and administration of the pension plan.
- (c) The Boxers' Pension Fund is a retirement fund, and no moneys within it shall be deposited or transferred to the General Fund.
- (d) The commission has exclusive control of all funds in the Boxers' Pension Fund. No transfer or disbursement in any amount from this fund shall be made except upon the authorization of the commission and for the purpose and administration of the pension plan.
- (e) Except as otherwise provided in this subdivision, the commission or its designee shall invest the money contained in the Boxers' Pension Fund according to the same standard of care as provided in Section 16040 of the Probate Code. The commission has exclusive control over the investment of all moneys in the Boxers' Pension Fund. Except as otherwise prohibited or restricted by law, the commission may invest the moneys in the fund through the purchase, holding, or sale of any

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investment, financial instrument, or financial transaction that the commission in its informed opinion determines is prudent.

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- (f) The administrative costs associated with investing, managing, and distributing the Boxers' Pension Fund shall be limited to no more than 20 percent of the average annual contribution made to the fund in the previous two years, not including any investment income derived from the corpus of the fund. Diligence shall be exercised by administrators in order to lower the fund's expense ratio as far below 20 percent as feasible and appropriate.
- SEC. 13. It is the intent of the Legislature that the Director of Consumer Affairs, in cooperation with the Senate Committee on Rules and the Speaker of the Assembly, may form and convene an ad hoc advisory committee beginning July 1, 2006, to assist the director during the period of time the Boxing Act is enforced by the director. It is the intent of the Legislature that the director may consult with the ad hoc committee in the performance of his or her duties under the Boxing Act between July 1, 2006 and January 1, 2007.
- SEC. 14. No reimbursement is required by this act pursuant to Section 6 of Article XIIIB of the California Constitution because the only costs that may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime within the meaning of Section 6 of Article XIIIB of the California Constitution.
- SECTION 1. Section 18602 of the Business and Professions Code is repealed.
- 31 SEC. 2. Section 18602 is added to the Business and 32 Professions Code, to read:
 - 18602. The State Athletic Commissioner shall appoint an advisory committee that shall consist of individuals regulated under this chapter and members of the public demonstrating expertise in areas regulated by this chapter and who are committed to the safety and welfare of the public and of those who compete in the matches regulated under this chapter. The advisory committee shall advise the director and the State Athletic Commissioner concerning administration, licensing, and

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enforcement under this chapter. Notice of each meeting of the
 committee shall be given in accordance with the Bagley-Keene
 Open Meeting Act (Article 9 (commencing with Section 11120)
 of Part 1 of Division 3 of Title 2 of the Government Code).

- SEC. 2.1. Section 18602.5 is added to the Business and Professions Code, to read:
- 18602.5. (a) The State Athletic Commissioner, in consultation with the director and the advisory committee established pursuant to Section 18602, shall submit to the Governor and the Legislature by July 1, 2006, a strategic plan. The strategic plan shall include, but not be limited to, efforts to resolve prior State Athletic Commission deficiencies in the following areas:
 - (1) Regulation of the profession and what fees should be paid for this regulation.
 - (2) The relationship between the State Athletic Commissioner and tribal governments that hold boxing events and the potential need to revise the fee structure.
 - (3) Costs to train ringside physicians.
- 20 (4) Steps that need to be taken to ensure sufficient sources of revenue and funding.
 - (5) A need for review and modification of organizational procedures, the licensing process, and the complaint process.
 - (6) Outdated information technology.
 - (7) Unorganized and improper accounting.
 - (8) Miscalculations at events, and a lack of technology to record proper calculations, and funding issues.
 - (9) The health and safety of the participants and the public in attendance at events regulated under this chapter.
 - (b) The State Athletic Commissioner shall solicit input from the public, the State Auditor, the Little Hoover Commission, the Center for Public Interest Law, and others as necessary in preparing and adopting the strategic plan.
 - (e) The State Athletic Commissioner shall report on progress in implementing this strategic plan to the director, the Governor, and the Legislature by August 1, 2006.
- 37 SEC. 3. Section 18603 of the Business and Professions Code is repealed.
- 39 SEC. 4. Section 18603 is added to the Business and 40 Professions Code, to read:

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1 18603. The director may appoint a State Athletic 2 Commissioner at a salary to be fixed and determined by the 3 director, with the approval of the Director of Finance. The duty 4 of enforcing and administering this chapter is vested in the State 5 Athletic Commissioner, and he or she is responsible to the director for discharging those duties. The State Athletic 6 7 Commissioner shall serve at the pleasure of the director and shall 8 be subject to confirmation by the Senate Committee on Rules.

- 9 SEC. 5. Section 18604 of the Business and Professions Code 10 is repealed.
- 11 SEC. 6. Section 18604 is added to the Business and 12 Professions Code. to read:

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- 18604. The director, in consultation with the State Athletic Commissioner and the advisory committee established pursuant to Section 18602, may establish necessary rules and regulations for the administration and enforcement of this chapter and prescribe the form of statements and reports provided for in this chapter. The rules and regulations shall be adopted, amended, or repealed in accordance with the provisions of the Administrative Procedure Act.
- SEC. 7. Section 18605 of the Business and Professions Code
 is repealed.
- SEC. 8. Section 18606 of the Business and Professions Code is repealed.
- 25 SEC. 9. Section 18607 of the Business and Professions Code is repealed.
- 27 SEC. 10. Section 18608 of the Business and Professions Code is repealed.
- 29 SEC. 11. Section 18610 of the Business and Professions Code 30 is amended to read:
- 31 18610. The State Athletic Commissioner shall adopt a seal.
- 32 SEC. 12. Section 18611 of the Business and Professions Code is repealed.
- 34 SEC. 13. Section 18613 of the Business and Professions Code is repealed.
- 36 SEC. 14. Section 18621 of the Business and Professions Code is amended to read:

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- 1 18621. "Commission" means the director or his or her
- designee, and references to the State Athletic Commission in other laws shall also mean the director or his or her designee.